

DIAMOND K GYPSUM, INC.

M/015/041

FAX COVER SHEET

TO: Tony

COMPANY: _____

FROM: Phillip

DIAMOND K GYPSUM, INC.
P.O. BOX 35
RICHFIELD, UT 84701
435-896-8870
435-896-8893-FAX

ADDITIONAL COMMENTS: _____

NUMBER OF PAGES, INCLUDING SHEET _____

DATE _____

P.O. Box 35 • Richfield, Utah 84701 • (801) 896-8870 • FAX (801) 896-8893



- I-7 Location: Emery County 1.22S.,R9E,SW,SW/4 & NE,SW/4
I-8 BLM
I-9 John Elliot Welsh, Sr., LLC
I 10 BJ-5 UTMC #212729 BJ 6 UTMC #226190

- II Map/Photo San Rafael Gypsum Resources: Area A mined out-reclaimed
Area B mined 1997-98
Area C new project mining area
a) boundary defined by drainages
b) actual mineable area of gypsum

- III Surfaces disturbance in Area C is proposed in 5 acre increments, where "topsoil" will be removed first and stockpiled, then overburden will be removed to uncover high parity gypsum resource as approximately mapped within Area C. when the high grade gypsum is moved out of a 5 acre area, then this area will be backfilled with rock/soil type mixture in order to avoid a sterile monomineral gypsum reclaimed surface. The total acres of resource is approximately 20 acres, the total surface disturbance approximately 30 acres. *over the next 3 to 4 years*

- IV Approximately 15 feet of a nearly horizontal gypsum bed will be removed from a partially dissected stratigraphic bench. Stripping and mining will not effect the distributaries of South Salt Wash drainage. The stream channel bordering Area C on the SW may carry local cloudburst water, but does not have a large drainage area. Neither surface water discharge nor stockpiled material erosion is anticipated. Minor gullies will be backfilled and recontoured as part of the stripping.

- V. The mine road will eventually be extended after Area C is mined out to connect with the ridge road in Sec. 31, 32, T. 22S, R. 9E. This will give truck access to additional gypsum resources to the South toward I-70, and allow the abandonment and reclamation of the present steep crossing of the South Salt Wash in NW/4 Sec. 30, 22S., R. 9E. This mine road will become the permanent road toward the South.

Area C will be reclaimed in 5 acre increments, concurrently with the mining by backfilling and topsoil emplacement. The final contour will approximate the present surface except 15 feet lower. The grading and furrowing of the surface will be designed to limit surface run off, retain moisture, and smooth out minor gullying. The final gentle north slope into South Salt Wash with a variable "topsoil" content will be more favorable for secondary plant growth (South facing slopes and monogypsum mineral soils are difficult to reseed, being originally poor in plant diversity and density).

- VI The ecology of the major drainage of South Salt Wash was permanently changed by discharges of calcareous fine-grained material from the I-70 quarry, 2 miles to the East, during a series of cloudbursts several years ago. Whatever volume of material may wash from Area C during the Diamond K quarrying operations and after reclamation will actually be reversing this I-70 riparian change. Diamond K is not responsible for existing sedimentation and floral changes in the South Salt Wash riparian flood plain and channels.

- VII Reclamation costs should be covered by minimum surety bonding. Reclamation costs will not be cumulative.